

Trust Transfers for Business Entities

New Information

A Certificate of Use Tax Clearance (BOE 111) is required for transfer of a vehicle/vessel into or out of a trust when a **legal entity** is the current registered owner or will be the new owner and the applicant believes the transfer is **exempt** from use tax.

A legal entity can be a sole proprietor, DBA (doing business as), company, partnership, INC (corporation), LTD (limited liability status), etc.

Procedures

When the prior registered owner or the new owner is a legal entity and the new owner believes the transfer is exempt from use tax, the new owner must apply to the Board of Equalization (BOE) for a BOE 111 before the transfer can be completed by the Department of Motor Vehicles (DMV). A Statement of Facts (REG 256) **cannot** be accepted for waiver of use tax for a transfer into or out of a trust when a legal entity is involved.

Note: A Certificate of Use tax clearance (BOE 111) is **not** required for a transfer into or out of a trust when the use tax is being paid.

Background

BOE reviews business documents and the percentage of ownership to determine if use tax is due.

Distribution

Notification that this memo is available online at ***dmv.ca.gov*** under Publications was made via e-mail alert in November 2007.

Contact

Call the DMV Customer Communications Section at (916) 657-6560 for further clarification of this memo. Upon request, this document can be produced in Braille or large print.



KATHLEEN ROSE, Deputy Director
Communication Programs Division